

MERCHANT CAPITAL

L.L.C.

August 4, 2008

Gary K. Van Meter
Deputy Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Dear Mr. Van Meter:


For more than a year, Merchant Capital has worked closely with Southwest Georgia Farm Credit and other Farm Credit System institutions to bring a safe, reliable source of capital to rural America. There is no doubt that rural America needs and deserves reliable access to capital in order to maintain basic infrastructure, essential services and other much-needed quality of life services. In challenging economic periods such as the current one, rural America's access to capital is further limited, thereby exacerbating the needs in these communities.

The Farm Credit Administration's proposed regulation allows those closest to rural areas – farmers and Farm Credit cooperatives – the ability to serve these communities by making investments into their futures. It takes a flexible flow of funds to make these kinds of projects – from critical access hospitals to waste water treatment facilities to schools – available for America's small towns.

FCA has certainly demonstrated, through this proposed regulation, a very positive step toward allowing the Farm Credit System to meet these needs. Additionally, FCA has included in the proposed regulation strict limits on both the total amount institutions can make as well as limits on the amount that may be invested in any single business. Clearly, safe guards are in place to insure the success of this program, as well as an appropriate balancing of all public / private interests.

Thank you for the opportunity to comment on this regulation, and I appreciate your support and concern for rural America.

Sincerely,



Bryan D. Huskey
Vice President
Merchant Capital, L.L.C.